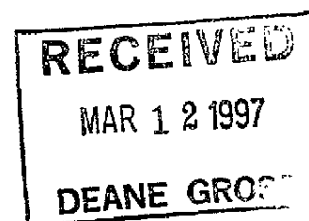


D. Gross ✓
Agreement for Christine Conway

Draft 3/3/97 3/11/97



March __, 1997

Mr. Randy Douglas
Field Marketing, Inc.
152 West Huron
Chicago, IL Illinois 60610

Re: 1997 Merit Bowling Program

Dear Mr. Douglas:

This letter, when countersigned below, constitutes the agreement (the "Agreement") between Philip Morris Incorporated ("Philip Morris"), a Virginia corporation with executive offices located at 120 Park Avenue, New York, New York 10017, and Field Marketing, Inc. ("FMI"), an Illinois corporation with executive offices located at 152 West Huron, Chicago, Illinois 60610, pursuant to which FMI will render services, which will include the following, for Philip Morris under the terms and conditions stated herein.

1. Services.

(a) FMI will perform all services customarily performed by a professional promotion company in connection with Philip Morris' **1997 MERIT BOWLING Program**. The program will consist of promotional activities conducted from February 6, 1997 through December 31, 1997, (i) at **MERIT BOWLING NIGHTS** to be held on dates and at bowling centers approved in advance by Philip Morris (the "Sites") in the ten markets set forth on Exhibit A attached hereto (the "Markets"), (ii) at ten regional bowling tournaments designated by Philip Morris, to be held in November, 1997 (the "Regional Tournaments"), and (iii) at the national bowling finals (the "National Tournament"), to be held in Las Vegas, Nevada in December, 1997, (collectively, the "Events").

(b) FMI will conduct research to determine the most suitable Sites for the **MERIT BOWLING NIGHTS** Events. ~~[The Sites selected must have a policy of allowing entry only to persons twenty one years of age and older.]~~ The Sites selected should be _____ and The Sites selected should have at least twenty-four lanes, must cater to consumers between the ages of twenty-one and thirty-four, have the capacity to accommodate 250 plus persons, and have a proven track record of being frequented by the intended audience.

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Mr. Randy Douglas
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FMI will submit each proposed Site to Philip Morris for preliminary approval as soon as such Site is identified. FMI will provide a complete list of Sites to Philip Morris for final approval no later than March 17, 1997.

(c) Each Regional Tournament, the National Tournament (collectively, the "Tournaments") and each Site must be willing to cooperate with FMI and Philip Morris in enforcing a policy that physically identifies persons twenty-one years of age or older who will be eligible to participate in the Program.

(d) Events will be scheduled to correspond to peak adult attendance times ~~in~~ at each Site. The Event team will be on site at least five hours to setup, execute and take down the Program elements. Days of the week may vary depending upon the local social customs and the date of each Tournament.

(e) In connection with each Event, FMI will:

- (i) obtain all permits, licenses, releases and consents necessary for the performance of FMI's duties;
- (ii) display POS materials at Sites and at the Tournaments;
- (iii) set up the surveying kiosk ~~and manage the "Merit Lanes"~~ (when appropriate) ~~[[Please explain]~~ **PLEASE EXPLAIN**;
- (iv) request that survey cards be completed by smokers twenty-one years of age or older and deliver completed survey cards to Philip Morris or a third party designated by Philip Morris ~~no less than two times per week~~; and
- (v) distribute to smokers twenty-one years of age or older who have completed surveys branded incentive giveaway merchandise and premiums; ~~and~~
- (vi) ~~if and when requested by Philip Morris, FMI will serve as [the] [a] licensed cigarette vendor at the Events, and will order product, timely pay state and local taxes and maintain detailed and accurate records. [FMI will pay the [venue promoter]~~

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doesn't FMI
just reimburse the
proprietor for the
difference in the
sales price vs. our
no add'l profit =
Detailed on cover
page.

[Site owner] a pre-determined percentage of the net profits generated by pack sales (the "Pack Sale Profits") to secure the right to sell cigarettes at the Site. FMI will deliver the remaining balance of the Pack Sale Profits, if any, to Philip Morris. FMI will maintain a separate bank account in connection with the Agreement and, on or before the thirtieth day of each month throughout the term of the Agreement, will deliver to Philip Morris a copy of a bank statement with respect to the preceding calendar month.] [PLEASE CONFIRM THAT FMI WILL BE CONDUCTING PACK SALES AND THAT SUCH PACK SALES WILL BE AS DESCRIBED IN THIS PARAGRAPH]

(vi)(vii) execute the Program in accordance with the training manual guidelines attached hereto as Exhibit B.

(f) In each Market, FMI will retain, train, supervise and assume complete responsibility for one market manager and three local merchandisers to execute the Program in that Market, all of whom will be persons reasonably satisfactory to Philip Morris (the "Staff") and each of whom will have received training satisfactory to Philip Morris prior to serving at an Event. The name generation portion of the Program will be staffed in each Market by one market manager and one assistant.

{(g) FMI will work with Philip Morris to develop and create a Staff training manual (the "Manual").} ~~{will FMI do this?}~~

(h) Prior to the Events, FMI personnel will, subject to the prior approval of Philip Morris, make all necessary arrangements for the Events, including hiring the Staff.

(i) FMI will train and instruct the Staff in accordance with the Manual.

(j) FMI will supervise and coordinate all Event activities at all times and will immediately terminate its relationship with any Staff member who fails to comply with the material requirements of the Agreement or the Manual.

(k) FMI will supply all services and training materials and will track and safeguard merchandise. All Program specific materials and merchandise will be supplied by Philip Morris. Philip Morris will provide for the delivery of necessary materials to warehouses designated by FMI so as to arrive prior to the first Event date.

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(l) FMI will provide weekly reports, in form and substance satisfactory to Philip Morris summarizing the key elements of the Program and within ten days after the conclusion of the Events, FMI will provide a detailed written report of all key elements of the Program to Philip Morris.

2. Payment. ~~{PLEASE CONFIRM}~~

In consideration of the services rendered by FMI throughout the term of the Agreement, Philip Morris will pay FMI a management fee of \$25,795 of which \$6,891 will be paid upon the complete execution of the Agreement and submission of an invoice. The remaining balance of the management fee will be paid as follows: nine monthly installments of \$1,890.33 each will be paid within thirty days after submission of an invoice on the last day of each month beginning March 31, 1997. A final installment of \$1,890.33 will be paid within thirty days after submission of an invoice on December 31, 1997, and complete performance to the satisfaction of Philip Morris of all services to be provided by FMI hereunder, including submission of all reports referenced in paragraph 1(l).

3. Expenses.

Philip Morris will reimburse FMI, at cost, for reasonable, competitively priced expenses incurred in providing services within thirty days after FMI's complete performance to Philip Morris' reasonable satisfaction of all services hereunder and after Philip Morris' receipt of an itemized invoice of expenses incurred. All expenses in excess of \$25 or more must be submitted with receipts. All expenses in excess of \$250 which are not included in the budget approved by Philip Morris must be approved in advance by Philip Morris. A copy of the approved budget is attached as Exhibit A. FMI may not allocate funds in one budget line item to another without the prior approval of Philip Morris. Total expenses must not exceed \$324,451 throughout the term of the Agreement without the prior, written approval of Philip Morris.

4. Term and Termination.

The term of the agreement commenced on {February 1, 1997, } and will continue until the later of December 31, 1997, or complete performance of all services to the reasonable satisfaction of Philip Morris. Philip Morris may terminate the Agreement, with or without cause, upon fourteen ~~days~~ days' written notice to FMI. If Philip Morris terminates the Agreement without cause, Philip Morris will have no liability to FMI after the effective date of the notice of termination with the exception of that portion of the fee earned for services

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Mr. Randy Douglas
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satisfactorily performed prior to termination as well as expenses incurred or committed to prior to the date of delivery of notice of termination.

5. Records.

FMI, its employees and agents will maintain detailed and accurate books and records of account with respect to activities undertaken on behalf of Philip Morris. Philip Morris and its agents may inspect, review and copy FMI's books and records, at reasonable times during normal business hours upon reasonable advance notice to FMI and at the expense of Philip Morris.

6. Confidentiality.

FMI, its employees and agents will hold strictly confidential the existence and terms of the Agreement and all information and materials provided by Philip Morris or created or acquired by FMI in performing the Agreement. FMI will not use or disclose to any third party the existence or terms of the Agreement, any such information or material materials or any other confidential information for any purpose other than to fulfill its obligations under the Agreement or unless authorized to do so in writing by Philip Morris. Upon termination or expiration of the Agreement, FMI will return promptly all confidential information and materials to Philip Morris. FMI's obligation to maintain the confidentiality of the existence and terms of the Agreement and all information and material obtained by FMI from Philip Morris or created or acquired by FMI in connection with its performance will survive the termination or expiration of the Agreement.

7. Ownership.

All material prepared or developed by FMI in connection with the Agreement will become the property of Philip Morris and FMI hereby agrees to assign to Philip Morris any and all copyrights in, and other rights to, the material. FMI will not engage, or permit the creation of any copyrightable material for Philip Morris, by any person who is not a regular full-time employee whose work is performed under FMI's direction and supervision and on FMI's business premises unless that person agrees in writing to execute an assignment to Philip Morris of any and all copyrights in and to the material in a form satisfactory to Philip Morris. Upon acceptance by Philip Morris of any copyrightable material prepared by FMI, FMI at the request of Philip Morris, will cause any person who owns any copyright interest in any of the materials to assign all of its right, title and interest to Philip Morris and will assign all of FMI's right, title and interest in the material to Philip Morris and in each case will deliver an assignment in a form acceptable to Philip Morris. FMI will obtain all releases necessary to the proper performance of the Agreement.

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8. Indemnity.

FMI agrees to indemnify and hold harmless Philip Morris, its affiliates and each of their respective officers, employees, directors and agents from all claims, liabilities, costs and expenses, including reasonable attorneys' fees, that arise from, or may be attributable to errors, omissions or fault of FMI. FMI's obligation to indemnify and hold harmless will survive the termination or expiration of the Agreement.

{Philip Morris agrees to indemnify and hold harmless FMI, its affiliates and each of their respective officers, employees, directors and agents from all claims, liabilities, costs and expenses, including reasonable attorneys' fees, that arise from or may be attributable to errors, omissions or fault of Philip Morris. Philip Morris' obligation to indemnify and hold harmless will survive the termination or expiration of the Agreement.}

9. Insurance. [PLEASE CONFIRM]

Within ten days of execution of the Agreement, FMI, at its own expense, shall provide to Philip Morris certificates of insurance issued by insurers acceptable to Philip Morris evidencing coverage for: (i) commercial general liability inclusive of the advertising injury coverage section, and without exclusions for, tort liability of others for bodily injury or property damage assumed in a contract including the indemnity agreement in paragraph 8 hereof or injury to "participants" or "spectators" with a combined single limit which can in part be satisfied via an excess or umbrella liability policy following form over the underlying coverage with a total limit of \$5,000,000 per occurrence including personal injury and property damage; (ii) statutory workers' compensation coverage meeting all state and local requirements including coverage for employers' liability with limits of no less than ~~\$500,000~~ \$500,000; and (iii) business automobile liability insurance covering owned, if any, and non-owned and hired vehicles with a per occurrence limit which can in part be satisfied via an excess or umbrella liability policy following form over the underlying coverage totaling \$5,000,000 per occurrence for bodily injury and/or property damage. The insurance certificates required by subparagraphs (i) and (iii) must name Philip Morris, its affiliates, employees, and assigns as additional insureds and must state that Philip Morris will be provided at least thirty ~~days~~ days advance, written notice of a cancellation or modification of the insurance. The insurance required to be maintained by FMI and the coverage extended to Philip Morris by way of an additional insured endorsement as specified hereinabove is to be primary insurance as to all insured parties subject to the coverage provisions of the Insurance Service Office's (ISO) Commercial General Liability and the Business Automobile forms or their equivalents.

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10. Independent Contractor.

FMI is an independent contractor and the Agreement shall not be construed to create an association, partnership, joint venture, relation of principal and agent or employer and employee between Philip Morris and FMI or any of FMI's agents within the meaning of any federal, state or local law. FMI will not enter into any agreement, oral or written, on behalf of Philip Morris or otherwise obligate Philip Morris without having previously obtained Philip Morris' written approval.

11. Exclusivity.

During the term of the Agreement, and for six months thereafter, FMI will not, without the prior, written consent of Philip Morris, engage in creative consulting or similar field activities for any person, company or other entity whose business competes with any tobacco product of Philip Morris.

12. Miscellaneous

(a) The Agreement and all matters collateral hereto, shall be governed by the laws of the State of New York applicable to agreements made and to be performed entirely within the State of New York.

(b) FMI will comply fully with all applicable laws, regulations, and ordinances relating to its performance hereunder. FMI acknowledges that it is cognizant of the provisions of Title 15, Sections 1331, et seq. of the United States Code.

(c) The Agreement is the complete agreement between the parties and supersedes any prior oral or written agreement between the parties concerning the subject matter of the Agreement.

(d) If any provision of the Agreement is held invalid or unenforceable, the remaining provisions will remain in effect.

(e) The Agreement may not be amended or assigned except in a writing signed by both parties. If an assignment occurs, the assignment will not relieve the assigning party of ~~its~~ its liabilities and obligations hereunder. The Agreement is binding upon successors and assigns of the parties. A waiver by either party of any of the terms and conditions of the Agreement on one or more instances will not constitute a permanent waiver of any term or condition of the Agreement.

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Mr. Randy Douglas
Field Marketing, Inc.
March __, 1997
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(f) Notices provided shall be in writing and sent by certified mail, return receipt requested, to the respective parties at their addresses set forth above. Notices to FMI will be sent attention: Mr. Randy Douglas and notices to Philip Morris will be sent attention: Director, Event Marketing.

If the letter foregoing accurately sets forth the ~~Agreement between you and Philip Morris~~ our understanding, please signify your acceptance and agreement by ~~signing both of~~ executing and returning the enclosed copies of this letter ~~and returning them to me.~~ We will forward one fully executed copy to you.

Very truly yours,

PHILIP MORRIS INCORPORATED

By: _____

Title: _____

ACCEPTED AND AGREED
AS OF THE DATE OF THIS LETTER:

FIELD MARKETING, INC.

By: _____

Title: _____

Filing Status: _____

Taxpayer ID No. _____

(nycs): \pmusa\merit\bow197.2 bow197.3

2070971741

EXHIBIT A
1997 MERIT BOWLING NIGHTS
MARKETS

<u>City</u>	<u>Counties</u>
Chicago	Lake, Cook, Dupage, Will
Green Bay	Brown, Outagamie, Kewaunee, Kalumet
Milwaukee	Milwaukee, Kenosha, Wallworth, Waukesha, Racine, Washington, Ozaukee
Minneapolis/St. Paul	Washington, Ramsey, Anoka, Hennepin, Dakota, Scott
Buffalo	Erie, <u>Niagara</u> <i>Niagara</i>
Syracuse	Onondaga, Cayuga, Oswego
Albany	Albany, Rensselaer, Schenectady
Rochester	Monroe
Hartford	Hartford, New Haven
Providence	Providence, New Haven
North New Jersey	Rockland, Westchester, Bergen, Passaic, Essex, Hudson, Morris, Union, Somerset, Middlesex, Monmouth
South New Jersey	Camden, Gloucester, Burlington
Philadelphia	Philadelphia, Montgomery, Delaware
Metro NY	<i>Kings, Queens, Nassau, Suffolk, New York, Richmond & Bronx</i>

~~three is not correct~~

EXHIBIT B
TRAINING MANUAL GUIDELINES

[to be provided]

don't we have
this? forward to
Legal for inclusion
Attached

(nycs):\\pmusa\\merit\\bow197.2 bow197.3

Exhibit B

Marketing Manager Job Description

Your role as a Marketing Manager is important to the success of the overall promotional campaign. As a Marketing Manager you will be in charge of managing the event staff who will be working with you at each of the BPAA Bowling Centers. You have been selected to assist us in this program because of your professionalism, enthusiasm, good nature and leadership abilities.

All of the Bowling Centers that will be participating in the program have been selected by the BPAA. Field Marketing has contacted each Bowling Center to confirm their participation and to schedule "Merit Bowling Night" events on Friday and Saturday evenings. Since the purpose of this program is to interact with adult smokers who are recreational bowlers, we have scheduled our events late in the evening to avoid a conflict with league bowling.

The Marketing Manager's specific responsibilities include:

Pre Event

- Visit the warehouse immediately upon receipt of materials to do an inventory of all program materials.
- Track the distribution and usage of all support materials throughout the program.
- Contact each Bowling Center to schedule a time on Friday morning/afternoon to deliver program support materials and merchandise the location. The best time to put up the large banners may be before the bowling center opens.
- Pick up a van at a rental location on Friday morning to transport program materials (if needed).
- Arrive at Bowling Center to place posters, banners, flyers, counter cards, menu board, napkins, matches, ashtrays, cups and bar caddies (after the first weekend, we will be placing posters at each Bowling Center at least one week prior to the scheduled promotion).

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Marketing Manager Job Description

- Check on placement of the large banners on the outside of the Bowling Center. If it is possible to place it outside, call Field Marketing to discuss.
- Confirm with the Bowling Center management kiosk placement next to the registration desk (if there is not enough space for the kiosk to be set up next to the registration area please select the best possible high traffic area in the center to reach the maximum number of consumers).
- Confirm with the Bowling Center management which two lanes will be identified as the "Merit Bowling Lanes" during the promotion (we prefer to use two lanes in the center of the Bowling Center).
- Confirm use of the PA system with management and determine a procedure for announcements regarding our promotion throughout the event.
- Merchandise the bar with posters, banners, table cloths and skirts, matches, cups, napkins, bar caddies, and permanent POS.
- Schedule and conduct formal training/orientation of local Event Staff.
- Maintain on-going contact with the local staff to schedule personnel throughout the program.

Execution

- Arrive at the Bowling Center at least one hour prior to execution start time to set-up kiosk and premiums/prizes.
- Work with the Bowling Center management to furnish the pin-setter with fluorescent blue bowling pins and black lights (if acceptable to management).

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Marketing Manager Job Description

- Schedule the local Event Staff to arrive ½ hour prior to execution start time to review program specifics and assign responsibilities - two representatives on the "Merit Bowling lanes" and one representative with you at the registration kiosk.
- Begin event execution on schedule.
- Display premiums/prizes at the kiosk to create interest and excitement in the promotion.
- Make periodic announcements on the PA system to inform smokers 21 years of age or older of our program.
- Begin registering qualified smokers 21 years of age or older for a chance to bowl on the Merit lanes to win prizes.
- Inform smokers 21 years of age or older of their opportunity to win great Merit prizes during random drawings of all survey cards collected each night. One hour after the promotion begins, conduct your first drawing. Two hours later have your second drawing in which the travel bag or barn jacket is awarded. Have either someone from the bowling center or one of the participants draw the winning survey card.
- Ensure that survey cards are completed accurately and legibly (it is our goal to collect approximately 100 survey cards per event depending on the number of lanes in the Bowling Center).
- Once you have checked to make sure the survey is completely filled out and legible, distribute one Merit lighter to each qualified smoker completing a survey.
- With the "Merit Stamp" (or wristband) provided, stamp the back of the hand of each qualified smoker to verify that they are the eligible to participate in the promotion.

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Marketing Manager Job Description, Cont.

- Distribute scorecards/flyers to each qualified smoker 21 years of age or older who registers to participate (scorecards/flyers can also be left on the registration desk and in the lounge to further promote our event).
- Begin announcing participants in the "Merit Bowling Nights" promotion. Inform the "winners" they must return to the kiosk to pick up their official score card.
- Prominently display and sell cigarettes. Advertise the appropriate price or incentive.
- Instruct promotional staff to roam the bowling center and the bar area to ensure raise awareness of the program with smokers, 21 years of age and older.
- The participants at the Merit Lanes will come to the kiosk where they will be asked to sign their scorecard. This allows for the signature on the scorecard to be matched and verified with the one on the survey card. Stamp their scorecard with the Merit Stamp and have them proceed to the Merit Lanes. You will also want to mark the survey card so this individual is not called to bowl again.
- Monitor bowlers on the "Merit lanes" to determine the need to announce the next participant in the "Merit Bowling Night" promotion.
- Assist in conducting promotional activities as needed throughout the event
- As each bowler participates on the Merit Lane, they will present their official (stamped) scorecard to the staff member at the lane who will record their name in the log book. The staff member will be responsible for keeping score and awarding the appropriate prize.
- Track the distribution of premiums/prizes and individual bowler scores throughout the event.
- Manage and supervise the local event staff throughout the execution of the entire event.

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Marketing Manager Job Description, Cont.

- End event execution on schedule and begin disassembly and proper storage of the kiosk.

Post Event

- Number the participant log pages and date the front sheet. Check to make sure the number of participants match the number of premiums that were distributed.
- Clean up any garbage or discarded items to ensure that the Bowling Center is as at least as clean as it was when we arrived.
- Discuss the promotion with the Bowling Center Management to ensure their satisfaction in the promotion (any suggestions for improvement).
- Gather information regarding the sale of Merit throughout the center during the promotion.
- Leave all support materials at the center throughout the eight weeks of activity.
- Take premium items home with you to avoid loss or theft.
- Complete the event summary noting all support materials placed, premium/prize quantities distributed, number of surveys collected, number of actual participants on the "Merit Bowling Lanes", and any consumer comments that you may have noted.
- Complete time sheets for the event staff and have them initial them, confirming the total hours for the day.

Additional Program Issues

- If you or any member of the event team are asked if they smoke the response is to be a "yes" or "no" answer. We do not want our staff to engage in any conversation regarding the merits of smoking.

Marketing Manager Job Description, Cont.

- It is important that all consumers have a positive experience from the promotion. If any non-smoker asks why they can not participate, you can inform them that by law we must only allow qualified smokers 21 years of age or older to participate in the "Merit Bowling Nights" promotion. If the age requirement is questioned, please respond "21 is the nationally recognized age of majority."
- If a consumer objects to our program or to the distribution of brand identified incentives, do not argue with them. Give them the Philip Morris phone number (212)880-5000 and instruct them to ask for consumer relations.
- If you are approached by potential participants during set up of the promotion, please politely work with them. Have a pad of survey cards on a clip-board and ask them to fill it out for you. Give them the approximate time that the bowling will begin and ask them to listen for their name.
- Survey cards will be used to gather names for the Merit data base and may be used for direct mail purposes. This list will be the property of Philip Morris USA and will not be sold to any other company.
- There is a very high probability that Philip Morris brand management and event marketing staff may conduct announced and unannounced visits to your events. If you are approached by anyone claiming to be a Philip Morris employee, you should ask to see a company ID to confirm their identity prior to beginning any conversation regarding the promotion. Please remember to be polite and courteous when asking for identification.
- We discourage the Marketing Managers and event staff from having any friends or relatives "hanging out" during the promotion.

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Marketing Manager Job Description, Cont.

- If a negative statement is made attacking you or the cigarette industry, response:
 - ⇒ "I'm afraid I am not sufficiently qualified to comment on the issue. I'll be happy to provide you with a telephone number which will put you in contact with someone at Philip Morris."
 - or
 - ⇒ "I respect your opinion and I'm sorry that you feel that way. I'll be happy to provide you with a telephone number that will put you in touch with someone at Philip Morris." Thank you.

Suggested PA Script for "Merit Bowling Nights" Program Announcements

"Attention Bowlers! Tonight Merit is conducting a special promotion giving smokers 21 years of age or older the opportunity to win prizes on the "Merit Bowling Lanes." Please look for the Merit kiosk to register to participate."

2070971750

EXHIBIT C

1997 MERIT BOWLING PROGRAM BUDGET

MERIT BOWLING NIGHTS BUDGET

Estimated Cost per Market

Personnel Cost

Marketing Manager	11 weeks @ \$25	\$5,775
Payroll Taxes	15.5%	\$895
Event Personnel	4 models/20 events/5 <u>events/5</u> hours/\$18 hr.	\$7,200
HQ Supervisors	Account Executive & Coordinator	<u>\$1,500</u>
Subtotal		\$15,370

Executional Expenses

Supervisory Travel	1 trip at \$750	\$750
Manager Training	2 days in Chicago	\$1,000
Training	6 models/4 hours/\$18/hr.	\$432
Mileage	250 miles/week/11 weeks	\$743
Pagers	\$15/week/11 weeks	\$165
Lane Charges	\$60/event/20 events	\$1,200
Storage Facility	\$100/month x 3 + Centralized Warehouse	\$500
Table Skirts/Cloths	15 at \$8.00	\$120
Phone/Fax, Etc.	\$75/week/11 weeks	\$825
Bowling Pins/Lights	\$120/set/2 sets	\$240
Van Rental	\$50/day/20 days	\$1,000
<u>Cigarette Sales</u>		<u>\$25,000</u>
Cigarette Licenses	Local sales license	<u>\$350</u>
Total		\$32,325

If Needed

EXHIBIT C
(cont.)

1997 MERIT BOWLING PROGRAM BUDGET

MERIT BOWLING NIGHTS BUDGET

TOTAL ESTIMATED COST PER MARKET		\$25,195
TEN MARKET TOTAL		\$251,950
MANAGEMENT LEVEL	(Six Trips to New York @ \$1,000)	\$6,000
FMI MANAGEMENT FEE		<u>\$24,000</u>
TOTAL ESTIMATED COST FOR PROGRAM		\$281,950

EXHIBIT C
(cont.)

1997 MERIT BOWLING PROGRAM BUDGET
REGIONAL FINALS BUDGET

Estimated Cost per Market

Personnel Cost

Marketing Manager	Supervisor at each event	\$450
Payroll Taxes	15.5%	\$70
Event Personnel	4 staff members/15 hours/\$19 hr.	\$1,140
Account Executives	Pre-sell, staffing, program management	<u>\$500</u>
Subtotal		\$2,160

Executional Expenses

Supervisory Travel	Hotel, airfare, food, etc.	\$825
Manger Training	1 day in Chicago	\$75
Training	4 staff members/3 hours/\$19 hr.	\$228
Mileage	100 miles/\$.27	\$27
Lane Charges	\$100/event/2 nights	\$200
Storage Facility	Central Warehouse	\$100
Table Skirts/Cloths	Skirts and table cloths	\$50
Phone/Fax/Overnight	Lining up staff, reporting, etc.	\$50
Sales License	Obtaining license for cigarette sales	\$350
Miscellaneous	Tape, pins, balloons, helium, etc.	\$200

EXHIBIT C
(cont.)

1997 MERIT BOWLING PROGRAM BUDGET
REGIONAL FINALS BUDGET

Shipping	Market to market	<u>\$600</u>
Subtotal		\$2,705
Management Fee		\$795
GRAND TOTAL PER		\$5,660
EVENT (Friday-Sunday)		
10 REGION/STATE		\$56,600
FINALS		

EXHIBIT C
(cont.)

1997 MERIT BOWLING PROGRAM BUDGET
NATIONAL FINALS BUDGET

Estimated Cost per Market

Personnel Cost

Two Managers	Supervisor at each event	\$900
Payroll Taxes	15.5%	\$140
Event Personnel	Staff members/150 hours/\$19 hr.	\$2,850
Set-up Personnel	5 crew members/6 hours/\$20 hr.	\$600
Account Executives	Pre-sell, staffing, program management	<u>\$800</u>
Subtotal		\$5,290

Executional Expenses

Supervisory Travel	Hotel, airfare, food, etc.	\$2,000
Training	8 staff members/3 hours/\$19 hr.	\$456
Storage Facility	Centralized Warehouse	\$500
Tablecloths	Skirts and table cloths	\$150
Phone/Fax/Overnight	Lining up staff, reporting, etc.	\$50
Sales License	Obtaining license for cigarette sales	\$350
Miscellaneous	Tape, pins, balloons, helium, etc.	\$800
Shipping	Market to market	<u>\$1,100</u>
Subtotal		\$5,406

Management Fee \$1,000

GRAND TOTAL PER EVENT **\$11,696**
(Wednesday-Sunday)

EXHIBIT C
(cont.)

**1997 MERIT BOWLING PROGRAM BUDGET
SUMMARY**

MERIT BOWLING NIGHTS	\$281,950
REGIONAL FINALS	\$56,600
NATIONAL FINALS	<u>\$11,696</u>
 GRAND TOTAL	 \$350,246